

FISCAL NOTE
SENATE BILL NO. 2128
LC# 25.8109.02000
02/17/2025
Revised - 02/14/2025

1 - State Fiscal Effect

Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$90,746,057		\$178,575,302	
Appropriations			\$90,746,057		\$178,575,302	

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

This bill removes DOCR's authority to house inmates in transitional facilities, requiring residents to return to prison. Inmates must serve 85% of their sentence unless deemed "eligible" under Section 3 in imprisonment before work release, education and rehabilitative programming.

4 - Fiscal Impact Sections Detail

Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

Under Section 2, less than 10% of inmates residing in transitional facilities as of 12/31/2024 would qualify as "eligible" meaning they were incarcerated for the crimes in Section 3, those who have served 85% of their sentence or those with commuted sentences, and the fiscal impact of this section is to rehouse that population back at DOCR facilities. Taking a one-day snapshot on 12/31/2024, the expected change in daily cost for non-eligible inmates is

\$13,934.16 for approximately 90 days for a total fiscal impact of \$1,254,074.40.

Under Section 3, only “eligible” offenders, those incarcerated for the crimes in Section 3 and those who have completed 85% of their sentence would be able to participate in work release, education or rehabilitative programming.

This requires all DOCR facilities to replace inmate labor with civilian labor at a biennial expense of \$16,864,427. Currently, inmate labor is budgeted at \$1,672,680 in the 2025-2027 executive budget recommendation.

Rough Rider Industries would cease to operate with a biennial revenue loss of \$800,000 and \$500,000 for commissary.

Under Sections 4, 5, & 9 the fiscal impact is captured in Section 10.

Under Section 6 is meritorious credit. Eight additional staff are anticipated to assist with suicide watch with biennial expense of \$1,291,200.

Sections 7, 8 & 11 require consecutive sentences for preventing arrest, simple assault and fleeing. The cost of additional days are: \$381,248, \$683,760 & \$990,120 respectively per biennium. Either DOCR or counties will incur these expenses.

Under Section 10, the fiscal impact of this section reduces the number of inmates eligible for parole release each year and this action adds to the overall prison population. Over the past 3 years, an average of over 64% of released inmates are released on parole. ND DOCR is currently at physical capacity and in deferred status. For purposes of this note, we model any inmates over a population of 1,626 will be alternatively housed. Non-eligible offenders are not entitled to work release, education or rehabilitative programming until 85% of sentence is served at an expense of \$66,913,435 FY25-26 & \$155,114,033 FY 27-28. Currently, the following items are included in the 25-27 executive budget recommendation and would not be required if this bill passes: a 20-bed women’s treatment unit at Bismarck Transitional Center of \$2,088,000, a 25-bed reentry facility in NW ND of \$1,600,000, transitional facility housing of \$21,861,801 and the county jail budget \$16,000,000.

Historically, the parole board has granted parole to very few inmates who have not completed rehabilitative programming. Therefore, for this analysis, we modeled the Parole Board granting parole to 5% of parole eligible inmates who have served at least 50% of their sentence but have received no treatment.

Inmates cannot begin treatment until 85% of their sentence is served in confinement. As a result, it is modeled that the Parole Board may refer paroled inmates to a transitional housing facility to better prepare them for reentry. The anticipated expense is \$774,437 FY25-26 & \$1,717,158 FY 27-28.

Out of state transportation expenses are estimated at \$557,876 per biennium. Out of state FTE costs are estimated at \$645,600 per biennium.

Out of state contract management & administration staff to manage \$881,184.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

Section 2: analysis of “eligible” inmates includes 8 of the 238 in transitional facilities as of 12/31/2024. If this were implemented today, 230 inmates would need to be transferred to a DOCR facility. The analysis compares the difference in expense for each transitional facility, ranging from \$79.72/day to \$101/day, to a DOCR facility at \$148/day. It is estimated that these inmates will remain in a DOCR facility for 90 days which is about half the time inmates stay in a transitional facility. It is calculated the change in daily cost is \$13,934 * 230 non-eligible inmates *

90 days = \$1,254,074.

Section 5: An estimate of \$60,000 provided by Syscon for changes to inmate management system for changes to good time calculation and for meritorious good time.

Section 10: Inmates must serve 85% of their sentence unless deemed "eligible" under Section 3 in imprisonment before work release, education and rehabilitative programming.

Historically the Parole Board has not granted parole to inmates without completing court ordered or DOCR recommended and assessed treatment.

The following items in the 25-27 budget would not longer be required if this bill passes:

- 1) 20 bed women's treatment unit at BTC \$2,088,000
- 2) 25 bed reentry facility in NW ND \$1,600,000
- 3) Transitional facility housing \$21,861,801
- 4) County Jail Budget \$16,000,000.
- 5) Inmate labor \$1,672,680

The fiscal impact of this section reduces the number of inmates eligible for release each year and this action adds to the overall prison population. Inmates over a population of 1,626 will be alternatively housed at an estimate \$100/day. The anticipated cost is \$66,913,435 for FY 25-27 & \$155,114,033 for FY 27-29.

This is calculated assuming steady admissions at 1,420/year. All the new admissions are to be released according to the length of stay for prior year admissions. Any inmates over 1,626 will move to alternative housing at an estimate of \$100/day.

Transportation expenses are \$577,876/biennium that include mileage, meals, hotel, and other expenses.

Four (4) FTE for transportation for alternative inmate housing. Same analysis as Section 5 for a total of \$645,600/biennium.

Four (4) FTE for contract and administrative management is estimated at \$881,184 each biennium.

There are many more expenses that we are concerned about as the liability to the state could be enormous cost for the state to defend a bill that removes treatment, counseling and education from incarcerated women.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

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Date Prepared: 02/14/2025